

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 222 - Veterans License Plate Fund (LSB 1881 YH)

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Fiscal Note Version – New

Requested by Representative Matt Windschitl

Description

House File 222 directs the Treasurer of State to credit special plate fees from the sale of non-personalized and personalized National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star motor vehicle registration plates to the Veterans License Fee Fund. Currently, the special fees are deposited into the Road Use Tax Fund.

Background

- Under current law, the annual special plate fees for non-personalized and personalized National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates are in addition to the annual vehicle registration fee.
- Current law specifies that the fee for the initial issuance of a personalized plate is \$25 and the validation (annual) fee is \$5.
- The current special plate fees for the National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates are as follows:
 - Initial Issuance (non-personalized plate): \$25
 - Initial Issuance (personalized plate): \$50 (\$25 special plate fee, \$25 personalized fee)
 - Annual Renewal (non-personalized plate): \$5
 - Annual Renewal (personalized plate): \$5

Assumptions

- There are an estimated 4,000 special National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates currently issued.
- In calendar year 2006, an estimated \$26,000 was collected from the initial issuance and renewal of non-personalized and personalized National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates. This does not include the number of initial issuances of personalized Pearl Harbor Veteran plates, which is unknown.
- Of the \$50 fee collected from the initial issuance of personalized National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates, the \$25 special plate fee will be deposited into the Veteran's License Fee Fund, and the \$25 personalized fee will be deposited into the Road Use Tax Fund. All other special plate fees will be deposited into the Veteran's License Fee Fund.
- The number of special National Guard, Pearl Harbor Veteran, Purple Heart, Armed Forces Retired, Bronze Star, and Silver Star plates that will be issued, renewed, or returned in subsequent years is unknown; therefore, the amount that will be collected from the special plate fees is unknown. For estimating purposes, it is assumed that the amount collected in FY 2008 and beyond will be the same amount that was collected in CY 2006.
- Costs to the DOT associated with programming are estimated to be \$3,500, and would be paid from the Motor Vehicle Division's base budget, of which 96.0% is Road Use Tax Fund moneys and 4.0% Primary Road Fund moneys.

Fiscal Impact

The estimated fiscal impact of HF 222 is an increase of \$26,000 to the Veteran's License Fee Fund, and a decrease of \$29,000 to the Road Use Tax Fund for FY 2008. For subsequent fiscal years, the estimated fiscal impact is an increase of \$26,000 to the Veteran's License Fee Fund, and a decrease of the same amount to the Road Use Tax Fund.

Source

Department of Transportation

/s/ Holly M. Lyons

February 21, 2007

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
